



MINUTES
Economic Development Authority
February 21, 2023

CALL TO ORDER

The Economic Development Authority meeting was called to order at 6:00 pm.

Present: Chair: Jahn Dyvik; Board: Deirdre Kvale, Mike Feldmann, Charlie Miner, Gina Joyce, and Tim Hultmann

Staff Present: City Administrator/Executive Director: Scott Weske; City Clerk: Jeanette Moeller; and City Attorney: John Thames

Absent: Sahand Elmtalab (with prior notice)

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

A motion was made by Kvale, seconded by Feldmann, to approve the agenda. Ayes: all.

CONSENT AGENDA

A. Approve Minutes of January 24, 2023 Economic Development Authority Meeting

A motion was made by Miner, seconded by Kvale, to approve the Consent Agenda as presented. Ayes: all.

OPEN CORRESPONDENCE

No one was in attendance to address the EDA during Open Correspondence.

BUSINESS ITEMS

Consider Approve of Assignment of Purchase Agreement

City Attorney Thames gave an overview of the request to assign the previously approved purchase agreement for the purchase of a City-owned remnant parcel to a nominated qualified intermediary or holding company which would facilitate a 1031 transaction. He noted that Steve Hendrickson, the buyer, has agreed to be responsible for all City costs associated with the proposed assignment.

Board member Kvale sought more information on the tax implications of the request.

Thames clarified that the IRS will allow someone to avoid capital gains tax if they are able to take the profits from one sale and put it into another purchase. He reiterated that the property owner has agreed to cover all the City's costs associated with the change.

A motion was made by Kvale, seconded by Miner, to adopt Resolution No. 2023-12, a Resolution Consenting to the Assignment of Purchase Agreement and Authorizing Closing on the Sale of Certain Real Property. Ayes: all.

Closed Session Pursuant to Minn. Stat. 13D.05, Subd. 3 (c)(3): Develop or Consider Offer for the Purchase or Sale of Real Property, PID #34-118-23-32-0002

A motion was made by Feldmann, seconded by Miner, to enter into a Closed Session. Ayes: all.

A motion was made by Feldmann, seconded by Hultmann, to exit the Closed Session. Ayes: all.

City Attorney Thames explained that the EDA had just adjourned a closed session meeting at which they had discussed the purchase or sale of property located at PID #34-118-23-32-0002, and staff had been given direction.

OTHER BUSINESS

Reschedule March EDA Meeting - *A motion was made by Miner, seconded by Dyvik, to reschedule the March 21, 2023 EDA meeting to March 7, 2023. Ayes: all.*

ADJOURN

Hearing no objection, Chair Dyvik adjourned the meeting by general consent at 6:35 pm.

Respectfully submitted,
Scott Weske, Executive Director